Alberta

Freedom To Create. Spirit To Achieve.

Service Alberta

Annual Report
2010-2011

Government of Alberta

Service Alberta

Annual Report
2010-2011

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 Ministries.

The annual report of the Government of Alberta released June 29, 2011 contains Ministers' accountability statements, the consolidated financial statements of the Province and *The Measuring Up* report, which compares actual performance results to desired results set out in the government's business plan.

This annual report of the Ministry of Service Alberta contains the Minister's accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan.

This Ministry annual report also includes other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.

Minister's Accountability Statement

The Ministry's annual report for the year ended March 31, 2011, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at June 20, 2011 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

(Original signed by)

Heather Klimchuk
Minister of Service Alberta

Message from the Minister

I am honoured to present the 2010-11 annual report of the Ministry of Service Alberta.

Service Alberta provides services, products and information to Albertans and to partner ministries. Whether they are buying a home, registering a vehicle, getting married, having a child or incorporating their business, Service Alberta plays an important role in the milestones in Albertans' lives. The Ministry also plays a central role in the functioning of the government, with responsibilities including information technology support, records management policy and standards, procurement and the Alberta SuperNet.

As a Ministry, we share the common visions and values of the Government of Alberta—respect, accountability, integrity and excellence. Service Alberta staff, who work hard to meet the needs of Albertans and partner ministries, are committed to these principles.

This past year, Service Alberta was awarded a gold Premier's Award of Excellence and a Certificate of Merit from the National Quality Institute for the Programs and Services Website Redesign Project. The website connects Albertans with essential services across government through a one-portal solution with thousands of answers. In addition, the Ministry garnered two silver Premier's Awards of Excellence, one for the Integrated Management Information System Version 9 Upgrade Project and one for the Government of Alberta Service Desk Implementation Project. Service Alberta's achievements over the past year have been significant. The Ministry:

- expanded the eligibility requirements for a veteran's licence plate to current members of the Armed Forces with at least two years experience.
- launched the new Alberta Supports website and contact centre, making information about Alberta's social-based assistance programs and services easier to find.
- launched the Final Mile Broadband Initiative to enable high-speed Internet access to broadband services for citizens in rural Alberta. Public consultations with 29 industry respondents and a survey of 114,000 Albertans regarding high-speed Internet have been completed.
- started a program to provide homeless individuals with a secure Alberta government identification card to help them access services and programs.
- enabled Albertans to access Alberta Health Care enrollment at 34 registry agent sites across Alberta.
- handled more than 1.2 million telephone calls and responded to over 12 thousand e-mails through the Service Alberta Contact Centres providing Albertans with referrals, advice, program information and campground site reservations.
- reached a milestone of 25,000 Residential Tenancy Dispute Resolution Service applications in 2010-11 since opening in 2006. The service is a fast, inexpensive and less formal alternative to the courts for resolving serious landlord and tenant disputes.
- brought the Time Share and Points-Based Contracts and Business Regulation into effect, ensuring Albertans remain informed and protected when purchasing time shares.
- established a Contracting Centre of Excellence to provide government wide support for procurement and contracting activities.

Service Alberta's achievements are founded on the shared commitment to excellence demonstrated by ministry staff. The Ministry will continue to look for innovative ways to deliver and provide service, products and information fulfilling the needs of Albertans and the Alberta government.

(Original signed by)

Heather Klimchuk
Minister of Service Alberta

Management's Responsibility for Reporting

The executives of the Ministry have the primary responsibility and accountability for the Ministry. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the Ministry rests with the Minister of Service Alberta. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information agrees with the underlying data and the sources used to prepare it.
- Understandability and Comparability – Current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – Performance measures and targets match those included in Budget 2010.

As Deputy Minister, in addition to program responsibilities, I am responsible for the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under Ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and Enterprise and the Minister of Service Alberta any information needed to fulfill their responsibilities; and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.

(Original signed by)

Paul Pellis
Deputy Minister
June 20, 2011

Results Analysis

Ministry Overview

CONSUMER SERVICES supports a fair, effective marketplace for consumers and businesses by developing, administering and enforcing consumer-related legislation. This unit promotes consumer awareness and education for consumers and businesses concerning their rights and responsibilities in residential tenancies, purchase decisions, contracts and identity protection. Consumers and businesses can access services directly and online. This business unit also:

- provides a fast, effective and low-cost option to resolve landlord and tenant disputes through the Residential Tenancy Dispute Resolution Service.
- promotes awareness of a variety of consumer topics through tipsheets, infosheets and consumer alerts available online.
- operates four contact centres: Citizen Service 310-0000 Contact Centre, Consumer and Registry Contact Centre, Alberta Health Care Contact Centre and Parks Reservation Contact Centre providing referrals, advice and program information to Albertans.
- operates the Alberta Queen's Printer, the official publisher of Alberta's laws and publications.
- contains the Utilities Consumer Advocate which represents and protects Albertans' interests in the regulatory proceedings of the Alberta Utilities Commission and provides consumers with the information they need to make informed choices about how to purchase electricity and natural gas based on their individual needs.

BUSINESS SERVICES provides accounts payable and receivable, and vehicle transportation through centralized, shared services to the Government of Alberta (GoA). This business unit includes

- Procurement, which acquires goods and selected services government programs require to meet their business needs.
- Client Services, which is responsible for accounts payable, accounts receivable, Crown Debt collections, employee pay and benefits, and service assurance.
- Integrated Management Information System (IMAGIS), which is the corporate finance and human resource information system for the GoA and includes an employee portal.
- Fleet Management Services, which facilitates vehicle rentals, leases and acquisitions, and assists in administering the use of fleet service cards.
- the Electronic Payment System, which completes the payment of electronic invoices from participating vendors.
- Surplus Sales, which maintains an inventory of assets as defined by departments, records asset acquisitions, transfers and arranges disposal of assets and coordinates annual inventory verification.
- the Procurement Reengineering Initiative which aims to improve service delivery, gain efficiencies and reduce costs through an enterprise approach to purchasing of goods and services. Projects within this initiative include: enhancing the use of government procurement cards; standardizing IT hardware; consolidating and renegotiating software agreements; standardizing contracting templates and creating a Contracting Centre of Excellence to provide enterprise wide support to procurement and contracting activities.

ENTERPRISE SERVICES is responsible for the delivery of information technology (IT) infrastructure and services for the Government of Alberta domain ministries. This business unit looks for opportunities for cross-ministry initiatives, bringing government representatives together, to promote a one-enterprise technology approach.

Through the Office of the Corporate Chief Information Officer, the division fosters a consistent approach to decision-making and governance of information technology for the government. This includes authorizing and managing a framework for Information Management and Technology policy for the enterprise, developing policy directives and facilitating investments in infrastructure technology programs and services.

Enterprise Services is responsible for:

- the GoA Domain Integration and Information and Communication Technology Initiatives which aim to establish a shared technology environment and services across the Government of Alberta including e-mail, workstations, storage, network services and data centres.
- the advancement and refinement of the corporate information security program.
- the development of GoA enterprise architecture and standards.
- the provision of information technology infrastructure and services including the hosting of corporate and ministry applications.
- the leadership of the Citizen Services Initiative which provides convenient, easy access to government information and services for Albertans via the GoA Programs and Services website.

INFORMATION SERVICES is responsible for providing a range of services to government ministries in the areas of print, mail, inter-department courier, telecom, office equipment and building security access. As well, this area:

- operates the Alberta Government Libraries which are accessed by departments, agencies and the public.
- conducts compliance reviews of registry agents and inspections of regulated industries, such as landlords, auctions, collection agencies and charitable organizations.
- is responsible for coordinating Service Alberta's strategic policy development and changes to the Ministry's 38 acts and 82 regulations.
- provides access and privacy services used by the public and all public bodies.
- provides support for registry agent operations, as well as investigative services, such as facial recognition analysis and investigation, court certificates, and investigative and forensic support to Alberta Transportation.
- establishes policy, standards and guidelines for managing the GoA's information assets, governs the retention and disposition of GoA information assets through the review and approval of records retention and disposition schedules, and provides support to ministries for records and information management related services.

REGISTRY SERVICES delivers accessible land titles, motor vehicles, personal property, vital statistics, and corporate registry and licensing services to Albertans, and handles registration of major life events (e.g., birth, marriage). Registry Services provides online registration and search services to support

the legislative requirements of the *Personal Property Security Act* and the enforcement of money judgments and other civil enforcement proceedings that form part of the *Civil Enforcement Act*. The Alberta Personal Property Registry Electronic System handles approximately two million transactions each year.

Fee and licence revenue are generated from five registry streams:

- Motor Vehicle
- Vital Statistics
- Corporate Registry
- Personal Property Registry
- Land Titles

This business unit also facilitates the delivery of more than 90 motor vehicle services and develops and supports the delivery of registry services through the registry agent network.

STRATEGIC PLANNING & FINANCIAL SERVICES leads Service Alberta in planning and performance measurement, budgeting, forecasting and financial reporting. This unit ensures that the Ministry's financial resource requirements are met by providing professional and quality financial processes and services. Typical activities include:

- co-ordinating the Ministry's financial budgeting and forecasting process.
- developing financial policy, monitoring compliance and implementing financial management best practices.
- developing the Ministry's strategic plans including the business plan, enterprise risk management framework and business continuity plan.
- developing the Ministry's financial reports, including, the preparation of the Ministry's financial statements.

DEPARTMENT CIO AND NETWORK SERVICES provides common infrastructure for ministries to support a one-government approach to the innovative and efficient delivery of programs and services to Albertans. This unit also:

- develops and maintains a responsive, reliable voice, data and video information and communication environment to ensure sustainability and to realize the maximum value for ministries to deliver programs, services and access to Albertans.
- oversees SuperNet—a government enabled internet based high-speed communications backbone that supports electronic commerce and provides access to government services in lifelong learning, health, recreation and business.
- provides application and technical infrastructure support for all Service Alberta registry-related systems.
- develops and maintains Service Alberta applications and databases.

COMMUNICATIONS provides communications consultation, support and services to the Ministry.

HUMAN RESOURCE SERVICES develops and implements human resource planning initiatives, policies and programs. Human Resource Services oversees

- employee attraction and retention, occupational health and safety, employee learning and development, and workplace wellness and recognition.

AUDITOR GENERAL *Alberta*

Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measure identified as "Reviewed by Auditor General" in the *Ministry of Service Alberta's 2010-11 Annual Report*. This performance measure is the responsibility of the Ministry and is prepared based on the following criteria:

- Reliability – Information agrees with the underlying data and with sources used to prepare it.
- Understandability and Comparability – Current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – Performance measures and targets match those included in Budget 2010.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to my Office by the Ministry. My review was not designed to provide assurance on the relevance of the performance measure.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measure.

Based on my review, nothing has come to my attention that causes me to believe that the "Reviewed by Auditor General" performance measure in the Ministry's 2010-11 Annual Report is not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above. However, my review was not designed to provide assurance on the relevance of this performance measure.

(Original signed by Merwan N. Saher, CA)

Auditor General

May 20, 2011

Edmonton, Alberta

Performance Measures Summary Table

Core Businesses/Goals/Performance Measure(s)	Prior Years' Results				Target	Current Actual
Services to Albertans						
1. Convenient and efficient services						
1.A Call Centre service index[1] (registry-related)	n/a 2006-07	n/a 2007-08	93% 2008-09	90% 2009-10	**80%**	85% 2010-11
1.B* Comparison of Alberta's fees to other jurisdictions to:						
• Renew registration on a Dodge Caravan (per cent below national average)	26% 2006-07	27% 2007-08	27% 2008-09	28% 2009-10	▲	28% 2010-11
• Renew a driver's licence (per cent below national average)	29% 2006-07	33% 2007-08	34% 2008-09	39% 2009-10	**Maintain Fees Below National Average**	42% 2010-11
• Obtain a Collection Agency Licence (per cent below national average)	33% 2006-07	33% 2007-08	32% 2008-09	37% 2009-10		38% 2010-11
• Obtain a Direct Selling Licence (per cent below national average)	25% 2006-07	28% 2007-08	27% 2008-09	27% 2009-10	▼	29% 2010-11

* **Indicates Performance Measures that have been reviewed by the Office of the Auditor General**

The performance measures indicated with an asterisks were selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal and mandated initiatives.
- Measures for which new data is available.
- Measures that have well established methodology.

[1] The service index is the respondent experience across five service attributes: courteousness, knowledge, effort, wait time, and ease of access.

Performance Measures Summary Table

Core Businesses/Goals/Performance Measure(s)	Prior Years' Results				Target	Current Actual
Services to Albertans						
2. Informed consumers and businesses and a high standard of marketplace conduct						
2.A Call Centre service index[1] (consumer-related)	n/a 2006-07	n/a 2007-08	97% 2008-09	93% 2009-10	**80%**	–** 2010-11
2.B Percentage of clients surveyed who are likely to recommend field investigative services to a friend[2]	84% 2006-07	83% 2007-08	87% 2008-09	82% 2009-10	**85%**	– 2010-11
Services To Government						
3. Provide core standard shared services, and facilitate government program and service delivery						
3.A Percentage of invoices paid electronically[3]	69% 2006-07	72% 2007-08	74% 2008-09	77%*** 2009-10	**85%**	79% 2010-11
3.B Percentage of clients satisfied with services received from Service Alberta[4]	N/A 2006-07	N/A 2007-08	73% 2008-09	74% 2009-10	**80%**	72% 2010-11

* **Indicates Performance Measures that have been reviewed by the Office of the Auditor General**

The performance measures indicated with an asterisks were selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal and mandated initiatives.
- Measures for which new data is available.
- Measures that have well established methodology.

** **Due to a limited number of completed responses, the sample was insufficient for significant results.**

*** **Historical results have been restated, please see Source and Methodology section beginning on page 18 for details.**

[1] The service index is the respondent experience across five service attributes: courteousness, knowledge, effort, wait time, and ease of access.

[2] Survey is now conducted every two years.

[3] Electronically refers to invoices paid using Electronic Payment System, Exclaim, Procurement Cards and IMAGIS Recurring Vouchers.

[4] Clients of Service Alberta include those receiving service from: Accounts Payable, Accounts Receivable & Billings, Cash Office, Pay and Benefits, E-mail, Records Management, Library Service, Fleet Management and the Web Server Team.

Discussion and Analysis of Results

GOAL 1 Linked to Core Business 1 – Services to Albertans

Convenient and efficient services

This goal reflects the Ministry's commitment to provide secure, accessible, accurate and competitively priced services to Albertans.

Performance Measures

► 1.A Call Centre service index – registry related (based on courteousness, knowledge, effort, wait time and ease of access)

Description

This measure involves a client satisfaction survey regarding services provided through the Ministry Contact Centre (registry related) across five service attributes: courteousness, knowledge, effort, wait time and ease of access.

Results

At 85 per cent, the call centre service index (registry related) exceeded the target of 80 per cent.

Call Centre Service Index (Registry Related)
(80 per cent Target)

Year	2008-09	2009-10	2010-11
Service Index*	93%	90%	85%

Source: Ivmet, Call Centre Satisfaction Survey

**The service index is the respondent experience across five service attributes: courteousness, knowledge, effort, wait time, and ease of access.*

Analysis

In spite of high demand, the service index remains high with 85 per cent of respondents indicating satisfaction with the attributes of the service provided by the contact centre (registry related). While slightly lower than the prior year, the result exceeds the Ministry's target of 80 per cent.

► 1.B.1 Comparison of Alberta's fees to other jurisdictions to:

- **Renew registration on a Dodge Caravan**
- **Renew a driver's licence**

Description

Service Alberta works to ensure that Alberta's registry fee structure remains competitive with other Canadian jurisdictions. One area of comparison is the review of Alberta motor vehicle fees, where the cost of registering a vehicle and renewing a driver's licence were compared on a standardized national basis. The target is that Alberta's fees* remain below the national average.

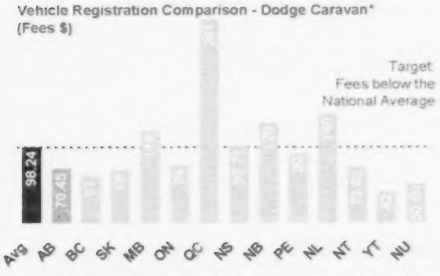
*Please note that "fees" in this analysis represents all associated charges that must be paid by the consumer to acquire the service. This includes all provincial/territorial government fees, taxes and service charges; Quebec includes a mandatory bodily injury insurance premium in both the vehicle renewal fee and driver's licence renewal fee.

Results

The results of the fee comparison indicated the target was met as Alberta's fees for these products were below the national average.

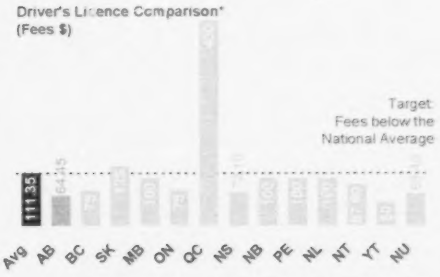
- The vehicle registration fee for a Dodge Caravan: 28 per cent below the national average. The fee was 28 per cent below in 2009-10.

- The driver's licence renewal fee: 42 per cent below the national average. The fee was 39 per cent below in 2009–10.


Vehicle Registration Comparison - Dodge Caravan*
(Fees $)
Target:
Fees below the
National Average
98.24
Avg AB BC SK MB ON QC NS NB PE NL NT YT NU

Source: Service Alberta Cross-Jurisdictional Fee Comparison

**Survey was standardized for comparative purposes to represent the annual fee charged to renew a Dodge Caravan minivan weighing 1,880 kilograms in an urban area (includes all associated charges).*



Source: Service Alberta Cross-Jurisdictional Fee Comparison

**Survey was standardized for comparative purposes to represent the five-year renewal fee for a driver's licence with no demerits (includes all associated charges) as this represents the renewal option chosen by the majority of Albertans.*

Analysis

The results of the fee comparison indicated the target has been met as Alberta's fees for these products are below the national average.

► 1.B.2 Comparison of Alberta's fees to other jurisdictions to obtain a:

• Collection Agency Licence

• Direct Selling Licence

Description

In this measure, Alberta's fees for certain business licences are compared to other Canadian jurisdictions. The licences selected for comparison are those determined to be most reflective of marketplace demand in the province:

• Collection Agency Licence

• Direct Selling Licence

The target is that Alberta's fees* remain below the national average.

*Please note that "fees" in this analysis represents all associated charges that must be paid by the consumer to acquire the service. This includes all provincial/territorial government fees, taxes and service charges.

Results

- The Collection Agency Licence fee in Alberta was 38 per cent below the national average. The fee was 37 per cent below in 2009–10.
- The Direct Selling Licence fee in Alberta was 29 per cent below the national average. The fee was 27 per cent below in 2009–10.

The ratings demonstrated that both these fees were below the national average.

Source: Service Alberta Cross-Jurisdictional Fee Comparison

**The minimum annual fee charged for a collection agency licence in each Canadian jurisdiction (either a new licence or a renewal, whichever was lower, regardless of company size) was compared.*

Source: Service Alberta Cross-Jurisdictional Fee Comparison

**The minimum annual fee for a direct selling licence charged to sole proprietors, partnerships, or corporations, as compared across jurisdictions. To ensure comparability, only those jurisdictions who provide a comparable direct selling business licence are included.*

Analysis

Alberta's licensing fees continue to be below national averages, which support a business-friendly marketplace.

GOAL 2 Linked to Core Business 1 – Services to Albertans

Informed consumers and businesses and a high standard of marketplace conduct

This goal reflects the Ministry's efforts to encourage an economy where consumers and businesses can be confident they are interacting in a fair environment.

Performance Measures

► 2.A Call Centre service index – consumer related (based on courteousness, knowledge, effort, wait time and ease of access)

This measure involves a client satisfaction survey regarding services provided through the Ministry Contact Centre (consumer related) across five service attributes: courteousness, knowledge, effort, wait time and ease of access.

Results

No new data was available, at this time, for reporting. Updated results will be available in 2011-12.

Call Centre Service Index (Consumer Related)
(80 per cent Target)

Year	2008-09	2009-10	2010-11
Service Index*	97%	93%	N/A

Source: Ivmet, Call Centre Satisfaction Survey

**The service index is the respondent experience across five service attributes: courteousness, knowledge, effort, wait time, and ease of access.*

Analysis

There is no data available for 2010-11.

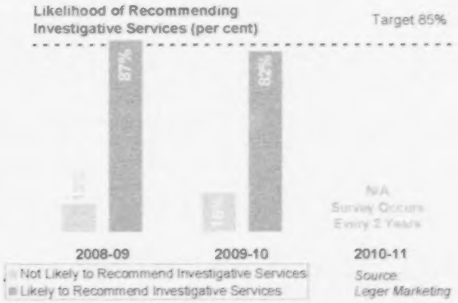
► 2.B Percentage of clients surveyed who are likely to recommend field investigative services to a friend

Description

The Ministry works to ensure a fair and effective marketplace for consumers and businesses by conducting investigations on complaints that fall under legislation for which the Ministry is responsible. Albertans' likelihood to recommend services provided by the Consumer Services investigation teams is assessed by this measure.

Results

No result was available for this year as the survey is conducted biennially. Updated results will be available in 2011-12. The 2009-10 result was 82 per cent of respondents likely to recommend investigative services to a friend.



Analysis

The survey is being conducted biennially, updated analysis will be available in 2011-12.

GOAL 3 Linked to Core Business 2 – Services to Government

Provide core standard shared services, and facilitate government program and service delivery

This goal reflects the Ministry's role in providing core standard shared services to ministries across government in the areas of business, financial, pay and benefits, information and technology services, and the procurement of government vehicles.

Performance Measures

► 3.A Percentage of invoices paid electronically

Description

Measuring the percentage of invoices paid electronically relates to improving government efficiency. Electronic invoicing streamlines payment processes and gains efficiencies within the Government of Alberta and across ministries. The convenience of processing invoices electronically is expected to ultimately increase the efficiency of administrative payment tasks within ministries.

Results

In 2010-11, 79 per cent of invoices were paid electronically.

Percentage of Invoices Paid Electronically (85 per cent Target)

Year	2008-09	2009-10	2010-11
Percentage of Invoices	74%	77%*	79%

Source: Service Alberta, Corporate Business & Financial Services Division Electronic Payment System, Exclaim and IMAGIS AP Reporting

**Results restated based on a correction to IMAGIS AP transactions.*

Analysis

At 79 per cent, the percentage of invoices paid electronically increased over the previous year. While the 85 per cent target was not met, a positive trend demonstrates the Ministry's commitment to streamline processes and improve efficiencies. Further progress is expected for 2011-12, as the Ministry continues to promote the use of electronic payments.

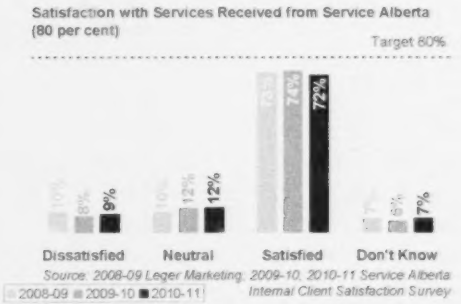
► 3.B Percentage of clients satisfied with services received from Service Alberta

Description

Service Alberta is committed to delivering core standard shared services to government ministries. This measure surveys internal clients' overall satisfaction with services provided by Service Alberta.

Results

The majority, or 72 per cent, of respondents indicated satisfaction with services received from Service Alberta. The 2010-11 target was 80 per cent.



Source: 2008-09 Leger Marketing; 2009-10, 2010-11 Service Alberta Internal Client Satisfaction Survey

Analysis

At 72 per cent satisfaction, the majority of respondents are satisfied with services received from Service Alberta. This result is comparable to prior years' but is below the 80 per cent target. In continuing to work towards the target, the Ministry will look for ways to maintain acceptable levels of client satisfaction.

► **Supplemental Measure: Call Centre service index – health related (based on courteousness, knowledge, effort, wait time and ease of access)**

The Alberta Health and Wellness call centre was transitioned to Service Alberta on July 1, 2009. The health related calls cover issues ranging from health card replacements and questions on Blue Cross coverage to issues with out-of-province claims. Since the provisioning of this service is a new role for Service Alberta, a measure was immediately established to monitor results.

This measure involves a client satisfaction survey regarding services provided through the Ministry Contact Centre (health related) across five service attributes: courteousness, knowledge, effort, wait time and ease of access.

Results

The Call Centre service index (health related) was 91 per cent and exceeded the target of 80 per cent.

Call Centre Service Index (Health Related)
(80 per cent Target)

Year	2008-09	2009-10	2010-11
Service Index*	N/A	85%	91%

Source: Ivmet, Call Centre Satisfaction Survey

**The service index is the respondent experience across five service attributes: courteousness, knowledge, effort, wait time, and ease of access.*

Analysis

The service index is high, with 91 per cent indicating satisfaction with the attributes of the service. This is a very encouraging result as responding to health related calls is a new service from the Ministry.

Ministry Expense by Function
(in millions)

	2010-11 Budget	2010-11 Actual	2009-10 Actual (Restated)
Protection of Persons and Property	$ 85.4	$ 78.9	$ 91.5
General Government	227.0	251.1	250.6
Social Services	14.5	-	-
Agriculture, Resource Management and Economic Development	-	-	2.1
Total Expenses by Function	$ 326.9	$ 330.0	$ 344.2

Performance Measures - Source and Methodology

► 1.A Call Centre service index – registry related (based on courteousness, knowledge, effort, wait time and ease of access)

A satisfaction survey of Albertans that contacted the contact centre (registry related) was conducted in April 2011. Clients were asked to complete a survey following completion of their call. Those that agreed to participate were directed to an automated system to complete the survey, which is managed by Ivrnet, a third party consultant.

The survey prompts respondents to answer with either, "Unacceptable", "Poor", "Fair", "Good", "Excellent" or "No Opinion" across five service attributes: courteousness, knowledge, effort, wait time and ease of access. Those that responded with "Good" or "Excellent" were defined as being satisfied with that particular attribute of the service and counted towards the service index rating.

The rating is derived by taking the percentage of satisfied responses against the total.

Total annual sample and margin of error at the 95 per cent confidence interval for the five service attributes is as follows:

Courtesy: 160 interviews with results being accurate to within ±7.7 per cent.

Knowledge: 158 interviews with results being accurate to within ±7.8 per cent.

Effort: 156 interviews with results being accurate to within ±7.8 per cent.

Wait time: 151 interviews with results being accurate to within ±8.0 per cent.

Ease of access: 146 interviews with results being accurate to within ±8.1 per cent.

► 1.B.1 Comparison of Alberta's fees to other jurisdictions to:

- **Renew registration on a Dodge Caravan**
- **Renew a driver's licence**

Ministry staff contacted provincial and territorial governments across Canada to collect information on fees for vehicle registrations and driver's licences. To facilitate a reliable and meaningful comparative analysis, two key products were identified for the Motor Vehicles Registry: vehicle registration renewal and driver's licence renewal. These two products are the most common transactions, are available in a similar form in all Canadian jurisdictions and are the most familiar to the general public. The Dodge Caravan was chosen as the vehicle for comparison.

Since many jurisdictions use formulas (e.g., weight of a vehicle), these registrations were put into common scenarios to standardize comparisons across all provinces.

- Vehicle registration: fee associated with the renewal of a Dodge Caravan weighing 1,880 kilograms in an urban area (includes all government fees, taxes, service charges and premiums).
- Driver's licence: the renewal fee to renew a driver's licence with no demerits, based on a standard five year renewal (includes all government fees, taxes, service charges and premiums). A five-year renewal period was selected, as this is a common renewal timeframe selected by Albertans.

Note: Starting in 2011-12, the vehicle for comparison will be based on the Honda Civic. Based on a 2011 review of registration data the Honda Civic is the most registered car in Alberta and the most registered vehicle in Canada.

► 1.B.2 Comparison of Alberta's fees to other jurisdictions to obtain a:

• Collection Agency Licence

• Direct Selling Licence

Ministry staff contacted provincial and territorial government agencies across Canada to collect information on the fees charged for various business licences. It is important to note that Alberta charges a single, flat fee for each licence being compared. To ensure a meaningful comparison, the following assumptions were made:

Collection Agency Licence

Comparisons were made against the minimum business fee charged in the province or territory for either a new licence or a renewal, whichever was lower, regardless of company size.

Direct Selling Licence

Comparisons were made against the minimum fee charged to sole proprietors, partnerships or corporations excluding additional charges for branch or satellite offices. Where the fee was for a multi-year period, comparisons were made using the annual equivalent (e.g., $200 for a two-year licence would be $100 on an annual basis).

► 2.A Call Centre service index – consumer related (based on courteousness, knowledge, effort, wait time and ease of access)

Due to a limited number of completed responses, the sample was insufficient for significant results. As such, no updated data was available in 2010-11. The methodology for historical results is as follows:

A satisfaction survey of Albertans that contacted the contact centre (consumer related) was conducted. Clients were asked to complete a survey following completion of their call. Those that agreed to participate were directed to an automated system to complete the survey, which is managed by Ivrnet, a third party consultant.

The survey prompts respondents to answer with either, "Unacceptable", "Poor", "Fair", "Good", "Excellent" or "No Opinion" across five service attributes: courteousness, knowledge, effort, wait time, and ease of access. Those that responded with "Good" or "Excellent" were defined as being satisfied with that particular attribute of the service and counted towards the service index rating.

The rating is derived by taking the percentage of satisfied responses against the total.

► 2.B Percentage of clients surveyed who are likely to recommend field investigative services to a friend

The survey is conducted biennially and was not performed in 2010-11.

The last time this research was completed was in 2009-10 when Leger Marketing conducted a telephone survey with clients of the Consumers Investigations unit. The survey was conducted in June and December 2009.

Consumer Services provided the sample for this study. Total annual sample for the survey was 220 interviews with results being accurate to within ±6.6 per cent, at the 95 per cent confidence interval.

The survey prompts respondents to answer with either "Very Likely", "Somewhat Likely", "Not Very Likely" or "Not at All Likely" with regard to the recommendation of investigative services to a friend. A respondent providing a "Very Likely" and "Somewhat Likely" response represents a likely recommendation of investigative services, while a "Not Very Likely" and "Not at All Likely" response represents an unlikely recommendation of investigative services.

► 3.A Percentage of invoices paid electronically

The percentage is calculated by dividing invoices paid through the Electronic Payment System, ExClaim, procurement cards and the Integrated Management Information System (IMAGIS) Recurring Vouchers by all the invoices paid by Service Alberta.

Invoices for the Electronic Payment System, ExClaim, procurement cards and IMAGIS Recurring Vouchers are calculated as follows:

Electronic Payment System

Invoices are counted by the number of active Vendor Account Codes that have charges against them. This is counted on a monthly basis as each vendor sends an electronic feed monthly that has Vendor Account Codes with charges.

ExClaim

One paid electronic claim is counted as one invoice. Claims can have a zero dollar amount, created from a claim that is completely pre-paid.

Procurement Card

Each time a card is swiped, it is considered one transaction or one invoice.

IMAGIS Recurring Vouchers

One payment per month is counted as one electronically paid invoice.

Data is collected internally through the Electronic Payment System, ExClaim and IMAGIS accounts payable application database queries by Service Alberta's Corporate Business and Financial Services division.

► 3.B Percentage of clients satisfied with services received from Service Alberta

An online survey of internal clients was conducted by Service Alberta's Planning & Performance Measurement Branch from March to April 2011.

Clients were asked to rate their overall satisfaction with the service they received. Total annual sample for the survey was 1,337 interviews with results being accurate to within ±2.7 per cent at the 95 per cent confidence level.

Services included in the survey were:

- Accounts Payable
- Accounts Receivable and Billings
- Cash Office
- Fleet Management
- Library Services
- Pay and Benefits
- Records Management Services
- E-mail Unit
- Web Server Team

The survey employs a seven-point satisfaction scale, where one is very dissatisfied, four is neutral and seven is very satisfied. Respondents were asked to rate their overall satisfaction with the services they received. A satisfied respondent is defined as providing a five, six or seven on the seven-point scale, while dissatisfied is one, two or three.

► Supplemental Measure: Call Centre service index – health related (based on courteousness, knowledge, effort, wait time and ease of access)

A satisfaction survey of Albertans that contacted the contact centre (health related) was conducted in September 2010 and April 2011. Clients were asked to complete a survey following completion of their call. Those that agreed to participate were directed to an automated system to complete the survey, which is managed by Ivrnet, a third party consultant.

The survey prompts respondents to answer with either, "Unacceptable", "Poor", "Fair", "Good", "Excellent" or "No Opinion" across five service attributes:

courteousness, knowledge, effort, wait time and ease of access. Those that responded with "Good" or "Excellent" were defined as being satisfied with that particular attribute of the service and counted towards the service index rating.

The rating is derived by taking the percentage of satisfied responses against the total.

Total annual sample and margin of error at the 95 per cent confidence interval for the five service attributes is as follows:

Courtesy: 631 interviews with results being accurate to within ±3.9 per cent.

Knowledge: 621 interviews with results being accurate to within ±3.9 per cent.

Effort: 609 interviews with results being accurate to within ±4.0 per cent.

Wait time: 608 interviews with results being accurate to within ±4.0 per cent.

Ease of access: 599 interviews with results being accurate to within ±4.0 per cent.

Ministry of Service Alberta

Financial Statements

March 31, 2011

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AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Financial Statements
I have audited the accompanying financial statements of the Ministry of Service Alberta, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion
In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ministry of Service Alberta as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

(Original signed by Merwan N. Saher, CA)

Auditor General

June 9, 2011

Edmonton, Alberta

Ministry of Service Alberta

Statement of Operations

Year ended March 31, 2011

(in thousands)

	2011 Budget (Schedule 4)	2011 Actual	2010 Actual (Restated - Note 3)
Revenues (Note 2(b) and Schedule 1)			
Fees and licences	$ 440,620	$ 453,751	$ 431,450
Other revenue	56,875	64,434	63,505
	497,495	518,185	494,955
Expenses- directly incurred (Note 2(b) and Schedules 3, 5 and 8)			
Voted operating expenses			
Ministry Support Services	9,707	8,800	9,374
Services to Albertans	61,225	62,840	68,011
Services to Government	254,834	258,761	268,693
	325,766	330,401	346,078
Valuation adjustments and statutory expenses (Note 6)	1,084	(368)	(1,856)
	326,850	330,033	344,222
Loss (gain) on disposal of tangible capital assets	-	344	(5)
Net operating results	$ 170,645	$ 187,808	$ 150,738

The accompanying notes and schedules are part of these financial statements.

Ministry of Service Alberta

Statement of Financial Position

As at March 31, 2011

(in thousands)

	2011	2010 (Restated - Note 3)
Assets		
Cash and cash equivalents	$ 67,126	$ 76,260
Accounts receivable (Note 4)	21,908	27,518
Inventories (Note 5)	1,579	1,238
Tangible capital assets (Note 7)	267,569	286,596
	$ 358,182	$ 391,612
Liabilities		
Accounts payable and accrued liabilities (Note 8)	$ 60,971	$ 54,618
Unearned revenue (Note 9)	228,414	218,150
	289,385	272,768
Net assets		
Net assets at beginning of year	118,844	86,332
Net operating results	187,808	150,738
Net financing provided for general revenues	(237,855)	(118,226)
Net assets at end of year	68,797	118,844
	$ 358,182	$ 391,612

Contractual obligations and contingent liabilities (Notes 10 and 11).

The accompanying notes and schedules are part of these financial statements.

Ministry of Service Alberta

Statement of Cash Flows

Year ended March 31, 2011

(in thousands)

	2011	2010 (Restated - Note 3)
Operating transactions		
Net operating results	$ 187,808	$ 150,738
Non-cash items included in net operating results		
Amortization	43,569	32,779
Loss (gain) on disposal of tangible capital assets	344	(5)
Provision for employee benefits	(1,331)	(1,908)
Provision for doubtful accounts	(33)	49
	230,357	181,653
Decrease (increase) in accounts receivable	5,643	(8,190)
Increase in inventories	(341)	(212)
Increase (decrease) in accounts payable and accrued liabilities	7,684	(21,081)
Increase in unearned revenue	10,264	1,845
Cash provided by operating transactions	253,607	154,015
Capital transactions		
Acquisition of tangible capital assets	(28,603)	(55,352)
Adjustment to tangible capital assets	10	-
Net transfer of tangible capital assets to other ministries	3,415	-
Proceeds on disposal of tangible capital assets	292	385
Cash applied to capital transactions	(24,886)	(54,967)
Financing transactions		
Net financing provided for general revenues	(237,855)	(118,226)
Cash applied to financing transactions	(237,855)	(118,226)
Decrease in cash and cash equivalents	(9,134)	(19,178)
Cash and cash equivalents at beginning of year	76,260	95,438
Cash and cash equivalents at end of year	$ 67,126	$ 76,260

The accompanying notes and schedules are part of these financial statements.

Ministry of Service Alberta

Notes to the Financial Statements

Year ended March 31, 2011

Note 1

Authority and Purpose

The Ministry of Service Alberta (the Ministry) operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The Ministry supports a fair and effective marketplace in Alberta by providing licencing and registry services and promoting consumer protection. The Ministry also provides responsive, standardized and efficient shared services across government while delivering convenient, secure and timely access to programs and services for all Albertans.

Note 2

Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Ministry of Service Alberta for which the Minister of Service Alberta is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise.

All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting when the service has been rendered and when the amount can be reasonably determined. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

The Ministry uses a network of 227 agents located in communities throughout the province to deliver some of its Registry Services. These Registry Services include the issuance and renewal of drivers' licences; registrations of birth, marriage and death; land title searches and transfers; and registrations of corporations, vehicles, and liens, involving approximately 8.0 million transactions. The registry agents collect and remit to the Ministry, the various fees charged by the province for each service type. The registry agent can also charge a transaction fee for each service provided. The Ministry reports only the revenues due to the province under Fees and Licences on the Statement of Operations.

Notes to the Financial Statements

Year ended March 31, 2011

Note 2

Summary of Significant Accounting Policies and Reporting Practices

(continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return. Internal government transfers are recognized as revenue when received.

Credit or Recovery

Credit or recovery initiatives provide a basis for authorizing spending. Credits or recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If the actual credit or recovery amounts exceed budget, the Ministry may, with the approval of Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Ministry's credit or recovery initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- pension costs, which are the cost of employer contributions for current service of employees during the year; and
- valuation adjustments and statutory expenses which include land titles registrar's assurance liabilities and changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to doubtful accounts and vacation pay.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are not recognized and are disclosed in Schedule 7 and allocated to programs in Schedule 8.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as inventories held for resale.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets.

Notes to the Financial Statements

Year ended March 31, 2011

Note 2

Summary of Significant Accounting Policies and Reporting Practices

(continued)

Assets

The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000.

Costs associated with business process reengineering and system development costs incurred during the preliminary stage of an information technology project are expensed. System development costs associated with the development and acquisition of software are capitalized. Capitalization of costs begins after the preliminary project stage and ends when the system application is completed and ready for its intended use.

The threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in the sacrifice of economic benefits in the future.

Net Assets

Net assets represents the difference between the carrying value of assets held by the Ministry and its liabilities.

Measurement Uncertainty

(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The allowance for doubtful accounts, recorded as $313 (2010 - $318) in these financial statements, is subject to measurement uncertainty. It is possible that the unrecoverable amount could be different from what was provided for.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Notes to the Financial Statements

Year ended March 31, 2011

Note 3
Program Transfers

(in thousands)

Based on agreements with other departments, the following program transfers were made effective April 1, 2010:

- Alberta Health Registration Services from the department of Health and Wellness
- Specialized services to the department of International and Intergovernmental Relations

Comparatives for 2010 have been restated as if the departments involved have always had the program responsibilities.

Net operating results for 2010 have been restated as follows:

Net operating results, as previously reported	$ 152,628
Transfer from Alberta Health and Wellness for Health Registration Services	(1,946)
Transfer to Alberta International and Intergovernmental Relations for Specialized Services	56
Restated net operating results at March 31, 2010	$ 150,738

Net financing provided for General Revenues on March 31, 2010 is made up of the following:

Net financing provided for general revenues, as previously reported	$ (120,116)
Transfer from Alberta Health and Wellness for Health Registration Services	1,946
Transfer to Alberta International and Intergovernmental Relations for Specialized Services	(56)
Restated net financing for general revenues at March 31, 2010	$ (118,226)

Note 4
Accounts Receivable

(in thousands)

	2011			2010
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts receivable	$ 21,774	$ (313)	$ 21,461	$ 27,439
Refunds from suppliers	447	-	447	79
	$ 22,221	$ (313)	$ 21,908	$ 27,518

Accounts receivable are unsecured and non-interest bearing. The accounts receivable amount includes $2,579 (2010 - $786) to be received from other government departments.

Note 5
Inventories

(in thousands)

Inventories consist of the following items for resale:

	2011	2010
Postage	$ 1,268	$ 996
Queen's Printer publications	311	242
	$ 1,579	$ 1,238

Note 6
Valuation Adjustments and Statutory Expenses

(in thousands)

	2011	2010
Provision for employee benefits	$ (1,331)	$ (1,908)
Provision for doubtful accounts	(33)	49
Land Titles Registrar's assurance liabilities	996	3
	$ (368)	$ (1,856)

Notes to the Financial Statements

Year ended March 31, 2011

Note 7
Tangible Capital Assets

(in thousands)

	2011				2010
	Equipment [1]	Computer Hardware and Software [2]	SuperNet [3]	Total	Total
Estimated Useful Life	3 - 20 years	3 - 10 years	20 years		
Historical Cost [4]					
Beginning of year	$ 91,154	$ 219,221	$ 195,995	$ 506,370	$ 454,947
Additions	20,287	8,316	-	28,603	55,352
Disposals, including write-downs, transfers and adjustments	(3,004)	(3,442)	829	(5,617)	(3,929)
	$ 108,437	$ 224,095	$ 196,824	$ 529,356	$ 506,370
Accumulated Amortization					
Beginning of year	$ 41,060	$ 123,041	$ 55,673	$ 219,774	$ 190,544
Amortization expense	12,604	22,219	8,746	43,569	32,779
Effect of disposals, including adjustments	(8,147)	(184)	6,775	(1,556)	(3,549)
	$ 45,517	$ 145,076	$ 71,194	$ 261,787	$ 219,774
Net Book Value at March 31, 2011	$ 62,920	$ 79,019	$ 125,630	$ 267,569	
Net Book Value at March 31, 2010	$ 50,094	$ 96,180	$ 140,322		$ 286,596

(1) Equipment includes furniture, fixtures and vehicles.

(2) Computer hardware and software includes all development costs incurred by the Ministry in the implementation of the Alberta Government Integrated Management Information Systems (IMAGIS). The cost of each module is amortized over a 10-year useful life.

(3) SuperNet includes the following components:

Indefeasible Right of Use Agreements which grant the Government of Alberta exclusive use of specific fibre optic cable, wireless equipment, tower space and points of presences and an indefeasible right to use common support structures (sheathing, conduit, handholes, pedestals, etc.). Indefeasible means the right to use cannot be defeated, revoked or made void. All indefeasible right of use agreements have an initial 20-year term with renewal options.

Fibre Purchase Agreements grant the ownership of specific fibre optic cables and an indefeasible right to use common support structures (sheathing, conduit, handholes, pedestals, etc.).

(4) Historical cost includes work-in-progress at March 31, 2011 totalling $33,575 comprised of: equipment $8,557 (2010 – $5,138) and computer hardware and software $25,018 (2010 – $49,865).

Notes to the Financial Statements

Year ended March 31, 2011

Note 8
Accounts Payable and Accrued Liabilities

(in thousands)

The Ministry has an obligation to pay for goods and services acquired by its program areas. It must also remit funds collected on behalf of the Department of Justice and Attorney General.

	2011	2010
Accounts payable	$ 10,838	$ 18,516
Accrued liabilities		
Employee benefits	11,422	12,029
Other	28,461	14,149
Payable to Department of Justice and Attorney General	10,250	9,924
	60,971	$ 54,618

Note 9
Unearned Revenue

(in thousands)

The Ministry records unearned revenue when it receives payments for services to be provided in a future accounting period.

	2011	2010
Motor Vehicles	$ 227,243	$ 216,904
Land Titles	618	755
Other fees	495	432
Other revenue	58	59
	228,414	$ 218,150

Note 10
Contractual Obligations

(in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2011	2010
Obligations under operating leases, contracts and programs	$ 361,418	$ 389,035

Estimated payment requirements for obligations under operating leases, contracts and programs for each of the next five years and thereafter are as follows:

Year	Total
2011-12	$ 117,972
2012-13	91,255
2013-14	66,246
2014-15	45,481
2015-16	26,796
Thereafter	13,668
	$ 361,418

Contractual obligations totalling $307,596 (2010 - $297,318) represent commitments for the provision and delivery of technology services.

Notes to the Financial Statements

Year ended March 31, 2011

Note 11
Contingent Liabilities

(in thousands)

At March 31, 2011, the Ministry is a defendant in twelve legal claims (2010 – fourteen legal claims). Nine of these claims have specified amounts totalling $2,316 and the remaining three claims have no specified amount (2010 – twelve claims with specified amounts totalling $8,723 and two with no specified amount).

There are no claims (2010 - one claim totalling $3,750 and one claim with no specified amount) in which the Ministry has been jointly named with another entity.

One claim (2010 – four claims) is covered or partially covered by Alberta Risk Management Fund, with coverage amounting to $100 (2010 - $1,935).

The resulting loss, if any, from these claims cannot be determined.

Note 12
Trust Funds under Administration

(in thousands)

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Ministry's financial statements.

As at March 31, 2011 trust funds under administration were as follows:

	2011	2010
Business licensing security	$ 2,327	$ 2,214
Miscellaneous trust funds	294	311
	$ 2,621	$ 2,525

Note 13
Payment under Agreement

(in thousands)

The Ministry has entered into an agreement with Statistics Canada to explore the feasibility of establishing a secure network for sharing vital event data between federal and provincial organizations. The National Routing System pilot project is fully funded by Statistics Canada.

Costs incurred under this agreement are made by the Ministry under authority of the *Financial Administration Act*, Section 25. Accounts payable includes $188 (2010 - $225) of unspent funding contribution received from Statistics Canada. Amount paid under the agreement with Statistics Canada is $285 (2010 - $219).

Notes to the Financial Statements

Year ended March 31, 2011

Note 14
Benefit Plans

(in thousands)

The Ministry participates in the multi-employer pension plans: Management Employees Pension Plan and Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $10,523 for the year ended March 31, 2011 (2010 - $11,399).

At December 31, 2010, the Management Employees Pension Plan reported a deficiency of $397,087 (2009 - $483,199) and the Public Service Pension Plan reported a deficiency of $2,067,151 (2009 - $1,729,196). At December 31, 2010, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $39,559 (2009 - $39,516).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2011, the Bargaining Unit Plan reported an actuarial deficiency of $4,141 (2010 – $8,335) and the Management, Opted Out and Excluded Plan an actuarial surplus of $7,020 (2010 – $7,431). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 15
Comparative Figures

Certain 2010 figures have been reclassified to conform to the 2011 presentation.

Note 16
Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Ministry of Service Alberta

Schedule to Financial Statements

Revenues

Schedule 1

Year ended March 31, 2011

(in thousands)

	2011		2010
	Budget	Actual	Actual
Fees and licences			
Motor Vehicles	$ 368,850	$ 382,743	$ 358,166
Land Titles	53,120	52,677	55,607
Other	18,650	18,331	17,677
	440,620	453,751	431,450
Other revenue			
Shared Services	47,005	52,394	51,335
Utilities Consumer Advocate	8,295	9,206	7,974
Other	1,575	2,834	4,196
	56,875	64,434	63,505
Total revenues	$ 497,495	$ 518,185	$ 494,955

Ministry of Service Alberta

Schedule to Financial Statements

Credit or Recovery

Schedule 2

Year ended March 31, 2011

(in thousands)

	2011		
	Authorized	Actual	Excess/ (Shortfall)
Shared Services [1]	$ 57,525	$ 52,394	$ (5,131)
Utilities Consumer Advocate [2]	9,475	9,206	(269)
Residential Tenancy Dispute Resolution [3]	435	560	125
Registry Data Information [4]	200	3	(197)
	$ 67,635	$ 62,163	$ (5,472) [5]

(1) The Ministry receives revenue from other ministries to recover the cost of providing cross-government services.

(2) The Utilities Consumer Advocate represents the interests of residential, farm and small business consumers of electricity and natural gas. It influences utility regulations, policies and practices and informs consumers about electricity and natural gas issues.

Eighty per cent of its funding is received through the Balancing Pool (section 148 of the Electric Utilities Act) with a further twenty per cent from three provincial natural gas distributors (section 28.1 of the Gas Utilities Act). Funding is based on the actual amount expended during the year.

(3) The Residential Tenancy Dispute Resolution Service offers landlords and tenants an alternative means of resolving serious disputes outside of court. The service is designed to be faster, more informal and less expensive than the courts.

(4) The provision of special reports and bulk data transfer of registry data information is recovered through third party agreements.

(5) Shortfall is deducted from current year's authorized budget, as disclosed in schedules 4 and 5 of the financial statements.

Ministry of Service Alberta

Schedule to Financial Statements

Expenses - Directly Incurred Detailed by Object

Schedule 3

Year ended March 31, 2011

(in thousands)

	2011		2010
	Budget	Actual	Actual
			(Restated - Note 3)
Voted			
Salaries, wages and employee benefits	$ 119,267	$ 111,207	$ 136,742
Supplies and services	153,995	175,499	176,426
Amortization of tangible capital assets	52,394	43,569	32,779
Other	110	126	131
	325,766	330,401	346,078
Statutory			
Valuation adjustments and statutory expenses (Note 6)	$ 1,084	$ (368)	$ (1,856)

Ministry of Service Alberta

Schedule to Financial Statements

Budget

Schedule 4

Year ended March 31, 2011

(in thousands)

	2010-11 Estimates	Adjustments [a]	Authorized Supplementary [b]	2010-11 Authorized Budget
Revenues				
Fees and licences				
Motor Vehicles	$ 368,850	$ -	$ -	$ 368,850
Land Titles	53,120	-	-	53,120
Other	18,650	200	-	18,850
Other revenue				
Shared Services	47,005	10,520	-	57,525
Utilities Consumer Advocate	8,295	1,210	-	9,505
Other	1,575	-	-	1,575
	497,495	11,930	-	509,425
Expenses - directly incurred				
Voted expenses				
Ministry Support Services	9,707	-	-	9,707
Services to Albertans	61,225	1,410	-	62,635
Services to Government	254,834	11,995	11,573	278,402
Credit or recovery shortfall [c]	-	(5,472)	-	(5,472)
	325,766	7,933	11,573	345,272
Statutory expenses				
Valuation adjustments and statutory expenses	1,084	-	-	1,084
	1,084	-	-	1,084
	326,850	7,933	11,573	346,356
Net operating results	$ 170,645	$ 3,997	$ (11,573)	$ 163,069
Equipment / inventory purchases	$ 23,161	$ -	$ -	$ 23,161
Capital investment	$ 110,000	$ (100,275)	$ -	$ 9,725

[a] The Ministry received approvals from Treasury Board to increase dedicated revenue for shared services, the Utilities Consumer Advocate and the provision of data registry information. Treasury Board approved to transfer the operating budget for the Procurement Reengineering Project. The Ministry also received approval to carry over unexpended capital investment from the prior year.

[b] Supplementary estimates were approved by Treasury Board on February 24, 2011, pursuant to section 24(2) of the *Financial Administration Act*.

[c] Credit or recovery was less than authorized budget.

Ministry of Service Alberta

Schedule to Financial Statements

Comparison of Expenses - Directly Incurred, Equipment/Inventory Purchases (EIP), Capital Investment and Statutory Expenses By Element to Authorized Budget

Schedule 5

Year ended March 31, 2011

(in thousands)

	2010-11 Estimates	Adjustments [a]	Authorized Supplementary [b]	2010-11 Authorized Budget	2010-11 Actual	Unexpended (Over Expended)
Voted Expense, EIP and Capital Investment						
Program 1 Ministry Support Services						
Minister's Office	$ 510	$ -	$ -	$ 510	$ 495	$ 15
Deputy Minister's Office	495	-	-	495	478	17
Corporate Services	8,702	-	-	8,702	7,827	875
	9,707	-	-	9,707	8,800	907
Program 2 Services to Albertans						
Registries						
Land Titles						
Expenses	12,415	-	-	12,415	12,352	63
EIP	-	-	-	-	-	-
Motor Vehicles						
Expenses	14,195	-	-	14,195	16,100	(1,905)
EIP	-	-	-	-	54	(54)
Other Registry Services						
Expenses	7,060	200	-	7,260	7,051	209
EIP	245	-	-	245	311	(66)
Consumer Services						
Consumer Awareness and Advocacy						
Expenses	19,290	-	-	19,290	18,127	1,163
EIP	-	-	-	-	217	(217)
Utilities Consumer Advocate						
Expenses	8,265	1,210	-	9,475	9,210	265
EIP	-	-	-	-	-	-
	61,470	1,410	-	62,880	63,422	(542)
Program 3 Services to Government Business Services						
Procurement and Administration Services						
Expenses	49,700	(2,440)	(750)	46,510	45,937	573
EIP	17,670	-	-	17,670	18,139	(469)
Financial and Employee Services						
Expenses	19,470	-	-	19,470	16,694	2,776
EIP	130	-	-	130	-	130
Amortization	11,410	-	-	11,410	10,937	473

Ministry of Service Alberta

Schedule to Financial Statements

Comparison of Expenses - Directly Incurred, Equipment/Inventory Purchases (EIP), Capital Investment and Statutory Expenses By Element to Authorized Budget

Schedule 5 (Continued)

Year ended March 31, 2011

(in thousands)

	2010-11 Estimates	Adjustments [a]	Authorized Supplementary [b]	2010-11 Authorized Budget	2010-11 Actual	Unexpended (Over Expended)
Program 3 Services to Government						
(Continued)						
Technology Services						
Technology Operations and Infrastructure						
Expenses	97,910	14,435	8,637	120,982	116,194	4,788
EIP	5,116	-	-	5,116	972	4,144
Enterprise Services						
Expenses	27,205	-	2,573	29,778	19,884	9,894
EIP	-	-	-	-	3,457	(3,457)
Capital investment	110,000	(100,275)	-	9,725	5,453	4,272
Network Services						
Expenses	8,155	-	12,513	20,668	16,483	4,185
EIP	-	-	-	-	-	-
Amortization	40,984	-	(11,400)	29,584	32,632	(3,048)
	387,750	(88,280)	11,573	311,043	286,782	24,261
Credit or recovery shortfall Schedule 2 [c]	-	(5,472)	-	(5,472)	-	(5,472)
	$ 458,927	$ (92,342)	$ 11,573	$ 378,158	$ 359,004	$ 19,154
Expense	325,766	7,933	11,573	345,272	330,401	14,871
Equipment/inventory purchases	23,161	-	-	23,161	23,150	11
	348,927	7,933	11,573	368,433	353,551	14,882
Capital investment	110,000	(100,275)	-	9,725	5,453	4,272
	$ 458,927	$ (92,342)	$ 11,573	$ 378,158	$ 359,004	$ 19,154
Statutory						
Valuation adjustments and statutory expenses	1,084	-	-	1,084	(368)	1,452
	$ 1,084	$ -	$ -	$ 1,084	$ (368)	$ 1,452

[a] The Ministry received approvals from Treasury Board to increase dedicated revenue for shared services, the Utilities Consumer Advocate and the provision of data registry information. Treasury Board approved to transfer the operating budget for the Procurement Reengineering Project. The Ministry also received approval to carry over unexpended capital investment from the prior year.

[b] Supplementary estimates were approved by Treasury Board on February 24, 2011, pursuant to section 24(2) of the *Financial Administration Act*.

[c] Credit or recovery was less than authorized budget.

Ministry of Service Alberta

Schedule to Financial Statements

Salary and Benefits Disclosure

Schedule 6

Year ended March 31, 2011

	2011				2010
	Base Salary [1]	Other Cash Benefits [2]	Other Non-cash Benefits [3]	Total	Total
Senior Official					
Deputy Minister [4]	$ 264,576	$ 1,750	$ 64,042	$ 330,368	$ 328,129
Executives					
Assistant Deputy Ministers					
Business Services [5]	168,674	1,750	41,962	212,386	231,627
Consumer Services [6]	144,967	1,750	37,021	183,738	-
Enterprise Services	192,888	1,750	48,294	242,932	239,488
Information Services [7]	138,755	1,750	34,289	174,794	209,494
Registry Services [8]	196,488	1,750	45,446	243,684	158,344
Executive Directors					
Human Resource Services	142,019	1,750	34,172	177,941	170,940
Strategic Planning and Financial Services [9]	146,012	1,750	35,850	183,612	98,951

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include lump sum payments. There were no bonuses paid in 2011.

(3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

(4) An automobile is provided, but no dollar amount is included in other non-cash benefits.

(5) The position of Assistant Deputy Minister, Business Services was renamed in 2011 from Assistant Deputy Minister, Corporate Business and Financial Services in 2010. The position was occupied by two individuals in 2011.

(6) The position of Assistant Deputy Minister, Consumer Services was created June 2010.

(7) The position of Assistant Deputy Minister, Information Services was renamed in 2011 from Assistant Deputy Minister, Information Management and Logistics in 2010. The position was occupied by three individuals in 2010.

(8) The salary charges for 2010 represent 8.5 months of salary.

(9) The salary charges for 2010 represent 6.5 months of salary.

Ministry of Service Alberta

Schedule to Financial Statements

Related Party Transactions

Schedule 7

Year ended March 31, 2011

(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2011	2010
Revenues		
Shared services billings to other ministries (Schedule 2)	$ 52,394	$ 51,335
Expenses - directly incurred		
Insurance charges from the Department of Finance & Enterprise	$ 165	$ 166
Parking charges from the Department of Infrastructure	5	7
	$ 170	$ 173
Tangible capital assets transferred out	$ 3,415	$ -
Receivables from Alberta Government departments and agencies (Note 4)	$ 2,579	$ 786
Payable to the Department of Justice & Attorney General (Note 8)	$ 10,250	$ 9,924

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 8.

	Other Entities	
	2011	2010
Revenues		
Shared services	$ 92,217	$ 115,284
Expenses - incurred by others		
Accommodations from the Department of Infrastructure	$ 20,740	$ 20,309
Separation payments from the Department of Treasury Board	-	20,171
Legal services from the Department of Justice & Attorney General	1,434	1,597
Other	180	133
	$ 22,354	$ 42,210

Ministry of Service Alberta

Schedule to Financial Statements

Allocated Costs

Schedule 8

Year ended March 31, 2011

(in thousands)

	2011								2010
		Expenses - Incurred by Others			Valuation Adjustments				
Program	Expenses [1]	Accommodation Costs [2]	Legal Services [3]	Other Costs [4]	Employee Benefits	Doubtful Accounts	Other Costs [5]	Total Expenses	Total Expenses (Restated - Note 3)
Ministry Support Services	$ 8,800	$ 1,186	$ 45	$ 180	$ (76)	$ -	$ -	$ 10,135	$ 11,046
Services to Albertans	62,840	6,925	575	-	(443)	(102)	996	70,791	80,624
Services to Government	258,761	12,629	814	-	(812)	69	-	271,461	294,762
	$ 330,401	$ 20,740	$ 1,434	$ 180	$ (1,331)	$ (33)	$ 996	$ 352,387	$ 386,432

[1] Expenses - directly incurred as per Statement of Operations, excluding valuation adjustments.

[2] Costs shown for accommodation provided by the Department of Infrastructure on Schedule 7 are allocated to each program by employee.

[3] Costs shown for legal services provided by the Department of Justice & Attorney General on Schedule 7 are allocated based on estimated costs incurred by each program.

[4] Costs shown for internal audit, the Government of Alberta learning centre and air transportation services provided by the Department of Treasury Board on Schedule 7 are allocated based on costs incurred by each program.

[5] Costs shown are for Land Titles Registrar's assurance liabilities.

For more information please contact:

Service Alberta Communications
29th floor, Telus Plaza South
10020–100 Street
Edmonton, AB T5J 0N3

www.servicealberta.ca

ISSN# 1920-3780 ISBN# 978-0-7785-9327-0